



State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

Michael O. Leavitt
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1047/063

July 13, 1995

Ziegler Chemical & Mineral Corp.
100 Jericho Quadrangle
Jericho, New York 11753

ATTN: Gordon S. Ziegler Jr. President

RE: Mining Plan, Gilsonite Mine Neal # 1 State, ML-46896, Section 32 T11S, R24E,
SLB&M; Uintah County, Utah.

Dear Mr. Ziegler:

The Utah State Division of Oil Gas and Mining ("DOGM") has provided the School and Institutional Trust Lands Administration ("SITLA") a copy of a Mining Plan for the Gilsonite Mine Neal # 1 that is apparently situated on State land as referenced above. This Mining Plan is dated June 23, 1995, and was prepared by Mr. Robert E. Covington. Even though SITLA rules allow for acceptance of mining plan review by other State agencies, we have found Ziegler's Mining Plan deficient of information which is required for adequate review and approval.

I have enclosed a copy of SITLA's Notice of Intent to Commence Mineral Exploration/Mining Operations which outlines all the information required by the Administration before approval can be granted for commencement of mining operations.

Please include a detailed land description which precisely identifies the land which will be included in the mining operation. The Mining Plan submitted to the Division of Oil Gas and Mining did not include adequate map coverage as outlined in item 2 of SITLA's Notice of Intent and Ziegler's Mining Plan referred to a Geologic and Engineering Report submitted to DOGM for the Cowboy Gilsonite Mine on Federal lease U-0122693 as satisfaction of the required description of the proposed mining operations on the Neal # 1 mine site. Our office is not in receipt of Mining Plans for operations on Federal lands and thus do not have a copy of the Mining Plan for the Cowboy Gilsonite Mine. If the Neal # 1 mine plan is similar to the Cowboy Gilsonite Mine could you please amend the Cowboy Plan as it pertains to the Neil # 1 mining plan.



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Your prompt attention to these requests can only serve to expedite approval of the proposed mining operation.

If you have any questions please feel free to contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read "William M. Stokes", is written over a horizontal line.

William M. Stokes
Mineral Resources Specialist

cc: Tony Gallegos, DOGM